



**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE**

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HARRY L. HUFFORD
CHIEF ADMINISTRATIVE OFFICER

June 23, 1993

To: All Department Heads

From: Harry L. Hufford *MLH*
Chief Administrative Officer

Subject: **CONTRACT RENEGOTIATION CLAUSES**

On January 26, 1993, the Board instructed this office to work with Department Heads to negotiate suspension of 1993-94 cost-of-living increases with contractors. Also, on May 25, 1993, the Board ordered that all new or renewal consultant and contractor agreements contain clauses that will allow for renegotiations downward consistent with other County budget reductions, should they occur.

The purpose of this memorandum is to urge your strict compliance with these Board directives in light of the significant reductions contained in the 1993-94 Proposed Budget. I have instructed my staff to carefully review all contracts submitted for the Board agenda to ensure that they contain clauses that allow for downward negotiations, or cancellation, should that be required by the County's financial situation. This office will not recommend Board approval of any contract that does not contain these renegotiation clauses.

Thank you for your continued cooperation during this difficult budgetary situation. If you have any questions regarding this issue, please contact your respective Branch Chief within this office.

HLH:EDW:pb

c: Each Supervisor

cntrct.mdh

6/25/93
2:15 PM

cc: Each Atty
Branch Chief
bc Hufford